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ECONOMIC GROWTH, JOB CREATION
AND REGULATORY AFFAIRS

September 18, 2014

1006

The Honorable Tom Wheeler
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20536

Dear Chairman Wheeler:

On behalf of my constituents in Nevada's 4th Congressional District, I applaud your efforts and those of the other commissioners in Phase II of the Connect America Fund (CAF II) proceeding to further accelerate the deployment of broadband facilities to consumers who lack access to robust broadband.

Broadband Internet access has become an essential part of the economic and social fabric across America. It has been a tool to build businesses, apply for jobs, enhance educational opportunities and connect to friends and relatives. With robust broadband service, Individuals with talent and determination can compete globally. Without it, that individual is left behind in today's technology-centric economy.

Phase II of Connect America Fund offers an opportunity to bring speedier fiber-fed broadband connections to millions of Americans, including many of my constituents in Nevada's 4th congressional district, who wouldn't otherwise receive these benefits. Thanks to the Commission's efforts thousands of communities are now counting on the Connect America Fund. The Commission's June 10th, 2014 Further Notice of Proposed Rulemaking (FNPRM) identifies a number of ideas of deploying broadband across the country without exceeding the CAF II annual budget.

One such idea is to double the download speeds offered in the 2011 USF/ICC Transformation Order from 4Mbps to 10Mbps. While we think that this is a good idea, we are concerned that if the Commission more than doubles the speed requirements without allowing the appropriate level of flexibility in other



elements of CAF II, the program's mission could be endangered. To address this concern, the Commission may want to consider expanding the build-out to 10 years to allow adequate time for the construction of the higher-capacity network. The same 10 Mbps standard should apply when identifying broadband availability from all competitors, or else communities with just 4 Mbps will be left behind. In addition, the Commission should closely examine its network build-out parameters so that they are consistent with the goal of providing quality broadband service to as many people as possible within CAF's limited funding framework.

The Commission has worked hard to help America overcome the digital divide, but I still have constituents seeking assistance to bring broadband service to their homes. The concerns they raise are a reminder of the challenge of building a robust and ubiquitous broadband network. Thank you for considering our concerns, and we look forward to working with you.

Sincerely,

STEVEN A. HORSFORD



FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

October 20, 2014

The Honorable Steven Horsford U.S. House of Representatives 1330 Longworth House Office Building Washington, D.C. 20515

Dear Congressman Horsford:

Thank you for your letter regarding the implementation of certain aspects of Phase II of the Connect America Fund (CAF II). In your letter, you express concerns that the overall mission of the CAF II program could be endangered if the Commission increases the current broadband speed benchmark for program recipients to 10 Mbps downstream /1 Mbps upstream without allowing flexibility in other elements of program, and suggest several proposals to provide such flexibility. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have the same opportunities as their urban and suburban counterparts to be active participants in the United States of the 21st century. We are focused on updating the universal service high-cost program to ensure that we are delivering the best possible voice and broadband experiences to rural areas of states within the confines of our Connect America budget, while providing increased certainty and predictability for all carriers and a climate for increased broadband expansion.

In April, the Commission adopted a Connect America Fund Phase II Report and Order to move forward with Phase II of the Connect America Fund for price-cap carriers. In addition, in an associated Further Notice of Proposed Rulemaking (FNPRM), the Commission sought comment on a number of the issues you raise, including revising the current broadband performance obligations to require minimum speeds of 10 Mbps downstream and applying the same performance obligations to all recipients of Phase II support and to rate-of-return carriers. In addition, the FNPRM seeks comment on the approaches that you raise in your letter — including lengthening the term of support and using the new speed standard to determine whether an area is served. As you suggest, these proposals would allow CAF II recipients more flexibility in meeting their performance obligations. We must consider these proposals in the contexts of our other policy goals, such as encouraging competition and private investment, to ensure that we are fulfilling our universal service mandate.

We have a robust record on these topics and the Commission's staff is giving these issues all due consideration. I welcome a dialogue with stakeholders as to how best to accomplish our

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shared objectives, and I look forward to working with you as we continue reforming and modernizing the universal service fund high-cost program – as well as other components of the Universal Service Fund – to ensure that all Americans have access to robust voice and broadband services.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely

Tom Wheeler